Housing Affordability Work Group November 8, 2007 House Room 1, Capitol Building 9:00 am Meeting Summary

Members Present: Delegate Marshall, Delegate Suit, Delegate Hull, T.K. Somanath, Melissa Bondi, Connie Chamberlin, Chip Dicks, Mark Flynn, M. Shea Hollifield, Judson McKellar, Michele Watson, Jim Naggles, Jan Proctor, Bill Shelton and Candice Streett

I. Welcome and Call to Order-Delegate Suit

II. HB 1789 Residential Landlord Tenant Act/mold claims (Kilgore, 2007)

A. Chip Dicks-Virginia Association of Realtors

- 1. There are three basic landlord tenant schemes, the Virginia Landlord Tenant Act, Virginia Residential Landlord Tenant Act and Virginia Manufactured Home Lot Rental Act. The mold remedy would be reflected in all three.
- 2. Landlords should know how to deal with mold issues when they arise and lessees should be protected from becoming injured due to mold.
- 3. This bill would create a new chapter 13.4 to Title 55 to follow the three landlord schemes.
- 4. The bill will provide for an inspection scheme for all rental properties and will require the real estate agents and lessors to inspect the units; (apartments, single family homes or manufactured housing) for mold damage.
- 5. This inspection will create a rebuttable presumption that the home is mold free and therefore will protect landlord and lessors; it will also create parameters for the removal of mold to ensure the safety of the lessee.
- 6. See Draft Mold Immunity/Presumption Legislation.
- B. Steve Pearson-Virginia Trial Lawyers Association
 - 1. Tenants in these properties can be seriously injured by mold and if you immunize the owners and landlords it will fail to protect the tenant.
 - 2. So the rental agent should act as the guard at the gate to recognize mold issues and let them notify the tenants and notify the owner that they need to correct a problem.
 - 3. Insurance is the ultimate answer. If an insurance product could be developed to handle these situations it could handle this balance.
 - 4. Immunity is not a good fix, yet we have worked with Chip Dicks to develop this bill, however we have not had an opportunity to review the current proposed bill.

III. Housing Trust Fund-Delegate Suit

- 1. This would be revitalizing the Trust Fund Bill which was proposed last year although this is a difficult session to get funding. Funding for the current proposed bill will come from a percentage of the real estate recordation tax.
- 2. **Delegate Hull**-We should determine the status of the federal housing trust fund?

3. **Delegate Marshall**-We should determine what the costs projections would be 10 years out if this had been implemented already.

IV. Other Topics and Public Comment

No objections to moving mold bill and housing trust fund to the full commission meeting in December.

V. Meeting Adjourned at 10:20 am.